

INTERIM REPORT  
2025

# HINGTEX HOLDINGS LIMITED 興紡控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code : 1968



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# Financial Highlights

	For the six months ended	
	30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Revenue	108,258	110,135
Gross profit	20,328	16,233
Gross profit margin	18.8%	14.7%
Loss before tax	(10,594)	(17,097)
Loss and total comprehensive loss for the period attributable to owners of the Company	(10,410)	(17,144)
<b>LOSS PER SHARE</b>		
— Basic and diluted (HK cents)	(1.63)	(2.68)

# Management Discussion and Analysis

Proactively navigating a complex market landscape, Hingtex Holdings Limited (“Hingtex” or the “Company”) and its subsidiaries (collectively, the “Group”) advanced strategic initiatives in the first half of 2025 to bolster resilience, optimise operations, and capture emerging opportunities. In alignment with its “China Plus One” strategy, the Group expanded supply chain flexibility and diversified manufacturing options by leveraging Vietnamese production capabilities through a key partnership. Rigorous cost containment measures safeguarded profitability, while investments in eco-friendly production infrastructure further strengthened its competitive edge. These initiatives proved highly effective, enabling the Group to weather the challenging operating environment characterised by geopolitical uncertainties, macroeconomic headwinds, and sweeping United States (“U.S.”) tariff revisions that disrupted established supply chains and heightened buyer caution. They also positioned the Group to capitalise swiftly on potential order recovery as trade conditions improve.

As of the six months ended 30 June 2025, the Group reported total revenue of approximately HK\$108.3 million (1H 2024: HK\$110.1 million). Gross profit amounted to approximately HK\$20.3 million (1H 2024: HK\$16.2 million), achieving a gross profit margin of approximately 18.8% (1H 2024: 14.7%). The financial results showed continued improvement with the loss attributable to owners of the Company narrowing to approximately HK\$10.4 million (1H 2024: loss of HK\$17.1 million), with loss per share of approximately 1.63 HK cents (1H 2024: loss per share of 2.68 HK cents).

The Group’s debt-to-equity ratio changed from 16.0% in 2024 to 18.0% as of 30 June 2025, primarily due to acquiring certain borrowings from a bank in the People’s Republic of China (the “PRC”) with lower interest rates to replace those from banks in Hong Kong. As of 30 June 2025, the Group had cash on hand of approximately HK\$43.0 million (30 June 2024: HK\$57.9 million).

## BUSINESS REVIEW

The Group’s denim operations progressed through two distinct phases during the first half of 2025. Building on foundations laid under the “China Plus One” strategy in 2024, the initial months saw strong performance from the Vietnamese production facility, which gained significant traction following a successful “seeding” period. The operation not only attracted new clients but also prompted existing major Brand Owner Customers (“BOCs”) to expand both order volumes and product selections. Growing demand from premium U.S. denim brands, particularly those seeking reliable suppliers with tariff-advantaged production solutions, further enhanced performance in higher-margin segments.

However, market dynamics shifted abruptly in April when renewed volatility in U.S. tariff policy created widespread uncertainty. Many customers temporarily suspended orders across all production locations while assessing potential cost implications. Consequently, the Group’s interim results for the first half of 2025 primarily reflect sales generated in the first quarter. Without the tariff-driven disruption in the second quarter, the Group’s would have achieved a significant year-on-year improvement in its interim performance.

Beyond supply chain optimisation, the Group made targeted efforts to develop new markets through product innovation, in particular with the launch of in-house developed dobby weave denims during the review period. These distinctive textured denims cater to the increasing preference for differentiated, high-quality denim materials, allowing the Group to command premium gross profit margins.

In addition, the Group implemented multiple initiatives to strengthen profitability through operational improvements. By securing favorable pricing terms with key raw material suppliers for bulk orders, the Group effectively reduced input costs while maintaining quality standards. The advanced wastewater treatment facilities, which became fully operational in 2024, delivered significant efficiency gains by enabling water recycling in production processes and substantially reducing freshwater consumption.



# Management Discussion and Analysis

Leveraging its established business networks, industry expertise, and local market insights, the Group expanded its property renovation business in Shanghai, PRC during the review period. This expansion tapped into a market downturn that has driven demand for upgrades over new construction. The strategic pivot contributed HK\$8.8 million, representing 8.1% of total revenue, and highlighted the Group's ability to adapt to evolving market dynamics. Meanwhile, the Group's diversified holdings, including the investment in the Tsuen Wan property, maintains stable rental income stream from its new and existing tenants, reflecting its balanced approach to growth and risk mitigation.

## PROSPECTS

The operating environment remains fraught with significant uncertainty, particularly due to geopolitical tensions and their impacts on global trade flows. Despite these challenges, the Group maintains cautious optimism as early signs of market stabilisation emerge. The recent easing of trade tensions has supported a gradual recovery in customer orders, with buyers rebuilding inventory after a prolonged period of restrained purchasing activity. While encouraged by these developments, the Group remains vigilant against persistent volatility and continues to implement targeted operational improvements.

Central to the Group's strategy is realigning its production footprint, through timely expansion in Vietnam and the planned relocation of select machinery from Zhongshan, Guangdong, PRC, with completion expected by the end of 2025. This initiative directly supports the "China Plus One" sourcing strategies increasingly adopted by key brand partners, providing them with enhanced supply chain flexibility and diversified production capabilities. Notably, the Vietnam location offers strategic advantages, including proximity to partners' regional operations and improved responsiveness to evolving customer requirements, further solidifying the Group's status as a reliable global supply chain partner.

Meanwhile, the Group is actively reshaping its product portfolio to focus on higher-margin textile solutions distinguished by technical expertise and environmental stewardship. Significant R&D resources are being allocated to sophisticated woven fabrics, such as intricate dobby weaves favored by premium apparel manufacturers. These specialised offerings are designed to capture superior margins in quality-driven market segments while reducing exposure to intense competition in basic textile categories, especially from South Asian producers. Parallel development efforts focus on sustainable textiles incorporating recycled materials and environmentally conscious production methods, addressing growing market demand for responsible solutions while creating meaningful product differentiation.

The Group plans to intensify promotional efforts and further strengthen its relationships with its BOCs while actively participating in key denim exhibitions in the U.S. and the PRC to secure additional sales orders. In Europe, the agents appointed by the Group, who have generated promising buyer interest, will continue working to expand this momentum, positioning the Group to capitalise on new prospects as European market conditions gradually improve.

The property renovation division continues to serve as a stabilising element within the Group's business portfolio, benefiting from consistent demand for quality refurbishment services. This segment's steady performance provides valuable balance to the more cyclical nature of manufacturing operations, contributing to overall business resilience.

Overall, the Group is committed to production expansion, efficiency enhancement, business development, and product refinement. By aligning its operations with market trends and customer preferences, embracing sustainable practices, and maintaining strong bonds with key stakeholders, the Group is well-positioned to achieve further growth, ensure its success in an increasingly competitive market, and deliver long-term value.

# Other Disclosures

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group finances its operations primarily with internally generated funds from operating activities and banking facilities currently available. It is anticipated that the Group has sufficient working capital to meet its present funding requirements.

As at 30 June 2025, net current assets were approximately HK\$99.8 million (31 December 2024: HK\$110.2 million). Cash and cash equivalents as at 30 June 2025 were approximately HK\$43.0 million (31 December 2024: HK\$46.2 million).

As at 30 June 2025, there were bank borrowings of approximately HK\$36.1 million (31 December 2024: HK\$30.8 million), and the Group had HK\$74.3 million in available banking facilities as at 30 June 2025 (31 December 2024: HK\$71.7 million).

## GEARING RATIO

As at 30 June 2025, the gearing ratio of the Group, based on total borrowings (including bank borrowings and lease liabilities) to total equity (including all capital and reserves) of the Group, was 18.0% (31 December 2024: 16.0%).

## EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had 353 employees (31 December 2024: 346 employees). The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. Remuneration packages offered to the Group's employees are consistent with prevailing levels and are reviewed on a regular basis. Discretionary bonuses may be provided to selected employees taking into consideration the Group's performance and that of the individual employee. The Group provides training to employees. During the six months ended 30 June 2025, the Group had not encountered any significant problems with its employees, nor had there been any dispute between the Group and its employees that might have caused any disruption to the Group's business or operation. The Group has had no difficulty in recruiting and retaining experienced staff.

A share option scheme (the "Share Option Scheme") was adopted on 19 June 2018 by the Company. As at 30 June 2025 and up to the date of this report, no share options were granted. The maximum number of Shares which may be issued upon exercise of options which may be granted under the Share Option Scheme and any other share option schemes (if any) shall not in aggregate exceed 10% of the total number of Shares in issue at the time dealings in the Shares first commence on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (i.e. 64,000,000 shares). At the beginning and at the end of the six months ended 30 June 2025, 64,000,000 share options were available for grant under the Share Option Scheme.



# Other Disclosures

## CAPITAL EXPENDITURE

The Group's capital expenditure was approximately HK\$0.6 million during the current interim period (1H2024: HK\$0.4 million), which was mainly due to the capital investments in the Group's property, plant and equipment.

## TREASURY POLICIES AND FOREIGN CURRENCY EXPOSURE

The Group is exposed to foreign currency risk primarily through sales, purchases, cash and cash equivalents, and bank borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk is primarily Renminbi. As at 30 June 2025, the Group's bank borrowings carried variable rates from 1.6% to 6.0% per annum (31 December 2024: 3.0% to 7.8%). The Group has not experienced any material difficulty or liquidity problems resulting from foreign exchange fluctuations.

The Group is not engaged in the use of any financial instruments for hedging purposes. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises.

## CONTINGENT LIABILITIES

As at 30 June 2025, the Group had no material contingent liability (31 December 2024: Nil).

## PLEDGE OF ASSETS

As at 30 June 2025, the Group had no pledged assets (31 December 2024: Nil).

## CAPITAL COMMITMENT

As at 30 June 2025, the Group had no capital commitment (31 December 2024: Nil).

## ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

The Group did not have any significant investment or material acquisition or disposal of subsidiaries and affiliated companies during the current interim period.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 30 June 2025. In the event that the Group is engaged in any plan for material investments or capital assets, the Company will make announcement(s) and comply with relevant rules under the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules") as and when appropriate.

# Other Disclosures

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) from 16 July 2018 (the "Listing Date") up to the date of this report.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the model code for securities transactions by Directors of listed issuers as set out in Appendix C3 of the Listing Rules (the "Model Code") as the code of conduct regarding securities transactions by Directors. Following specific enquiry by the Company, all the Directors have confirmed that they have complied with the required standard as set out in the Model Code regarding directors' securities transactions for the six months ended 30 June 2025 and up to the date of this report.

## **CORPORATE GOVERNANCE CODE**

The Company has applied and complied with all code provisions of the Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules (the "CG Code") for the six months ended 30 June 2025 and up to the date of this report.

## **AUDIT COMMITTEE**

Our Company has established the Audit Committee in accordance with the requirements of the CG Code for the purpose of reviewing and supervising the Group's financial reporting process. The Audit Committee currently has three independent non-executive Directors, namely Mr. Tsang Ling Biu Gilbert, Mr. Cheung Che Kit Richard and Mr. Wong Ming Bun David. Mr. Tsang Ling Biu Gilbert is the chairman of the Audit Committee. The latest meeting of the Audit Committee was held to review the results of the Group for the six months ended 30 June 2025.

## **REVIEW OF THE INTERIM RESULTS**

The Audit Committee had reviewed the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025 and discussed with the management of the Company the accounting principles and practices adopted by the Group as well as internal controls and other financial reporting matters.



# Other Disclosures

## INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

As at the date of this report, the interests and short positions of each Director and the chief executive of our Company in the Shares, underlying Shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to our Company and the Stock Exchange pursuant to the Model Code, are as follows:

### (a) Interests and/or short positions in our Company

Director	Nature of interest	Number of Shares held <sup>1</sup>	Percentage of Interest in our Company
Ms. Lau Chung Chau (“Ms. Lau”)	Interest in controlled corporation <sup>(2)</sup>	480,000,000 (L)	75%
Mr. Tung Wai Ting Stephen (“Mr. Stephen Tung”)	Interest in controlled corporation <sup>(2)</sup>	480,000,000 (L)	75%
Mr. Tung Cheuk Ming Stanley (“Mr. Stanley Tung”)	Interest in controlled corporation <sup>(2)</sup>	480,000,000 (L)	75%

Notes:

1. The letter “L” denotes a long position in the Shares.
2. Ms. Lau, Mr. Stephen Tung, Mr. Stanley Tung, Ms. Tung Wei Ling Barbara (“Ms. Barbara Tung”), Ms. Tung Wai Lai Mabel (“Ms. Mabel Tung”) and the late Mr. Tung Tsun Hong (“Mr. TH Tung”) entered into the Deed of Concert Parties, pursuant to which, the parties confirmed that they have been acting in concert with each other in exercising and implementing the management and operations of our subsidiaries and that it is their intention to continue to act in the above manner upon the listing of our Shares on the Main Board of the Stock Exchange (the “Listing”). Accordingly, Manford Investment Holdings Limited (“Manford Investment”) is deemed to be accustomed and/or obliged to act in accordance with their directions and/or instructions and that, among others, each of Ms. Lau, Mr. Stephen Tung, Mr. Stanley Tung, Ms. Barbara Tung and Ms. Mabel Tung is deemed to be interested in all the Shares held by Manford Investment under the SFO.



## Other Disclosures

### (b) Interests and/or short positions in associated corporation(s)

Director	Company concerned	Nature of interests	Number of Shares held in the company concerned <sup>1</sup>	Percentage of interest in the company concerned
Ms. Lau	Manford Investment <sup>2</sup>	Beneficial owner; a concert party to an agreement to buy shares described in s. 317(1)(a) of the SFO <sup>3</sup>	100 (L)	100%
Mr. Stephen Tung	Manford Investment <sup>2</sup>	Beneficial owner; a concert party to an agreement to buy shares described in s. 317(1)(a) of the SFO <sup>3</sup>	100 (L)	100%
Mr. Stanley Tung	Manford Investment <sup>2</sup>	Beneficial owner; a concert party to an agreement to buy shares described in s. 317(1)(a) of the SFO <sup>3</sup>	100 (L)	100%

Notes:

1. The letter "L" denotes long position in the shares held.
2. At the date of this report, Manford Investment is interested in 75% of the issued Shares and, accordingly, is the holding company of our Company within the meaning of the SFO.
3. Manford Investment is owned as to 40% by Ms. Lau, 20% each by Mr. Stephen Tung and Mr. Stanley Tung and 10% each by Ms. Barbara Tung and Ms. Mabel Tung, all of whom have entered into the Deed of Concert Parties, pursuant to which, the parties confirmed that they have been acting in concert with each other in exercising and implementing the management and operations of our subsidiaries and that it is their intention to continue to act in the above manner upon the Listing. Accordingly, each of Ms. Lau, Mr. Stephen Tung, Mr. Stanley Tung, Ms. Barbara Tung and Ms. Mabel Tung is deemed to be interested in the shares of Manford Investment held by the other parties to the Deed of Concert Parties under the SFO.

Save as disclosed above, as at the date of this report, none of our Directors nor the chief executive of our Company had any interests or short positions in the Shares, underlying Shares or debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to our Company and the Stock Exchange pursuant to the Model Code.



# Other Disclosures

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the date of this report, so far as our Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares which were required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of Shares <sup>(1)</sup>	Percentage shareholding
Manford Investment <sup>(2)</sup>	Beneficial owner	480,000,000 (L)	75%
Mr. Stephen Tung	Interest of controlled corporation <sup>(3)</sup>	480,000,000 (L)	75%
Mr. Stanley Tung	Interest of controlled corporation <sup>(3)</sup>	480,000,000 (L)	75%
Ms. Li Ka Mei	Interest of spouse <sup>(4)</sup>	480,000,000 (L)	75%
Ms. Lau	Interest of controlled corporation <sup>(3)</sup>	480,000,000 (L)	75%
Ms. Barbara Tung	Interest of controlled corporation <sup>(3)</sup>	480,000,000 (L)	75%
Mr. Li Chi Hiu Lawrence	Interest of spouse <sup>(5)</sup>	480,000,000 (L)	75%
Ms. Mabel Tung	Interest of controlled corporation <sup>(3)</sup>	480,000,000 (L)	75%
Mr. Fung Cheong Chi	Interest of spouse <sup>(6)</sup>	480,000,000 (L)	75%



## Other Disclosures

Notes:

1. The letter "L" denotes a long position in the Shares.
2. As at the date of this report, Manford Investment was owned as to 40% by Ms. Lau, 20% by Mr. Stephen Tung, 20% by Mr. Stanley Tung, 10% by Ms. Barbara Tung and 10% by Ms. Mabel Tung.
3. Ms. Lau, Mr. Stephen Tung, Mr. Stanley Tung, Ms. Barbara Tung, Ms. Mabel Tung and the late Mr. TH Tung entered into the Deed of Concert Parties, pursuant to which, among others, the parties confirmed that they have been acting in concert with each other in exercising and implementing the management and operations of our subsidiaries and that it is their intention to continue to act in the above manner upon the Listing. Accordingly, Manford Investment is deemed to be accustomed and/or obliged to act in accordance with their directions and/or instructions and that each of Ms. Lau, Mr. Stephen Tung, Mr. Stanley Tung, Ms. Barbara Tung and Ms. Mabel Tung is deemed to be interested in all the Shares held by Manford Investment under the SFO.
4. Ms. Li Ka Mei is the spouse of Mr. Stanley Tung and is deemed, under the SFO, to be interested in all the Shares that Mr. Stanley Tung is interested.
5. Mr. Li Chi Hiu Lawrence is the spouse of Ms. Barbara Tung and is deemed, under the SFO, to be interested in all the Shares that Ms. Barbara Tung is interested.
6. Mr. Fung Cheong Chi is the spouse of Ms. Mabel Tung and is deemed, under the SFO, to be interested in all the Shares that Ms. Mabel Tung is interested.

Save as disclosed above, as at the date of this report, our Directors are not aware of any person who had an interest or short position in the Shares or the underlying Shares which were required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### **IMPORTANT EVENTS AFTER THE INTERIM PERIOD UNDER REVIEW**

There were no material events undertaken by the Group subsequent to 30 June 2025 and up to the date of this report.

# Independent Review Report



**TO THE BOARD OF DIRECTORS OF HINGTEX HOLDINGS LIMITED**

**興紡控股有限公司**

*(incorporated in the Cayman Islands as an exempted company with limited liability)*

## INTRODUCTION

We have reviewed the interim financial information set out on pages 13 to 33, which comprises the condensed consolidated statement of financial position of Hingtex Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

### **Ernst & Young**

*Certified Public Accountants*

27/F, One Taikoo Place

979 King’s Road

Quarry Bay, Hong Kong

28 August 2025



# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	NOTES	Six months ended	
		30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Revenue	5	108,258	110,135
Cost of sales		(87,930)	(93,902)
<b>Gross profit</b>		<b>20,328</b>	16,233
Other income	6	1,496	1,533
Other gains and losses, net		1,092	(466)
Reversal of impairment loss/(impairment loss) on financial assets at amortised cost, net		1	(50)
Selling and distribution expenses		(6,749)	(6,695)
Administrative expenses		(22,390)	(22,028)
Research and development expenses		(3,550)	(4,453)
Fair value gain/(loss) on financial asset at fair value through profit or loss ("FVTPL")		242	(104)
Share of loss of an associate		(15)	(40)
Finance costs		(1,049)	(1,027)
Loss before tax	7	(10,594)	(17,097)
Income tax credit/(expense)	8	184	(47)
<b>Loss and total comprehensive loss for the period attributable to owners of the Company</b>		<b>(10,410)</b>	(17,144)
<b>LOSS PER SHARE</b>			
— Basic and diluted (HK cents)	10	(1.63)	(2.68)

# Condensed Consolidated Statement of Financial Position

At 30 June 2025

	NOTES	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment	11	82,571	85,776
Right-of-use assets		20,249	22,783
Goodwill		1,184	1,184
Other intangible assets		2,418	2,602
Interest in an associate	12	334	349
Financial asset at FVTPL	13	19,386	19,144
Other receivables	14	7,520	–
Deferred tax assets		11,699	11,699
<b>Total non-current assets</b>		<b>145,361</b>	<b>143,537</b>
<b>Current assets</b>			
Inventories		85,499	84,222
Contract assets		254	406
Trade and other receivables	14	42,330	56,737
Amount due from an associate	18	616	616
Cash and cash equivalents		43,010	46,187
<b>Total current assets</b>		<b>171,709</b>	<b>188,168</b>
<b>Current liabilities</b>			
Trade and other payables	15	36,655	43,676
Contract liabilities		2,467	2,276
Tax payables		1,637	1,638
Lease liabilities		4,457	4,281
Bank borrowings	16	26,730	26,064
<b>Total current liabilities</b>		<b>71,946</b>	<b>77,935</b>
<b>Net current assets</b>		<b>99,763</b>	<b>110,233</b>
<b>Total assets less current liabilities</b>		<b>245,124</b>	<b>253,770</b>



# Condensed Consolidated Statement of Financial Position

At 30 June 2025

	NOTES	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
<b>Non-current liabilities</b>			
Other payables	15	1,085	1,159
Lease liabilities		1,012	3,285
Bank borrowings	16	9,360	4,772
Deferred tax liabilities		3,355	3,832
<b>Total non-current liabilities</b>		<b>14,812</b>	13,048
<b>Net assets</b>		<b>230,312</b>	240,722
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	17	6,400	6,400
Reserves		223,912	234,322
<b>Total equity</b>		<b>230,312</b>	240,722

The condensed consolidated financial statements on pages 13 to 33 were approved and authorised for issue by the board of directors on 28 August 2025.

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
<b>Six months ended 30 June 2025 (unaudited)</b>					
At 1 January 2025	6,400	141,986*	10,882*	81,454*	240,722
Loss and total comprehensive loss for the period	–	–	–	(10,410)	(10,410)
At 30 June 2025	6,400	141,986*	10,882*	71,044*	230,312
<b>Six months ended 30 June 2024 (unaudited)</b>					
At 1 January 2024	6,400	141,986	10,882	116,404	275,672
Loss and total comprehensive loss for the period	–	–	–	(17,144)	(17,144)
At 30 June 2024	6,400	141,986	10,882	99,260	258,528

\* These reserve accounts comprise the consolidated reserves of HK\$223,912,000 (31 December 2024: HK\$234,322,000) in the consolidated statement of financial position.



# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		Six months ended	
		30 June 2025	30 June 2024
	Notes	HK\$'000 (unaudited)	HK\$'000 (unaudited)
<b>OPERATING ACTIVITIES</b>			
Loss before tax		(10,594)	(17,097)
Adjustments for:			
Finance costs		1,049	1,027
Interest income	6	(428)	(953)
Share of loss of an associate		15	40
Depreciation of property, plant and equipment	7	3,475	4,888
Depreciation of right-of-use assets	7	2,534	2,929
Amortisation of other intangible assets	7	184	183
(Reversal of impairment loss)/impairment loss on financial assets at amortised cost, net		(1)	50
Loss on disposals of items of property, plant and equipment	7	85	–
Fair value (gain)/loss on financial assets at FVTPL		(242)	104
Foreign exchange differences, net		(159)	91
		(4,082)	(8,738)
(Increase)/decrease in inventories		(1,277)	7,211
Decrease/(increase) in trade and other receivables		6,929	(15,862)
Decrease in contract assets		152	–
(Decrease)/increase in trade and other payables		(6,814)	16,795
Increase in contract liabilities		191	1,222
		(4,901)	628
Cash (used in)/generated from operations		(292)	87
Income tax (paid)/refunded			
		(5,193)	715
<b>NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES</b>			
<b>INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		(596)	(410)
Interest received		428	953
Proceeds from disposals of items of property, plant and equipment		200	–
		32	543
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>			

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	Six months ended	
		30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
<b>FINANCING ACTIVITIES</b>			
New bank borrowings raised		34,042	37,659
Repayment of bank borrowings		(29,041)	(38,000)
Principal portion of lease payments		(2,097)	(2,693)
Interest paid		(1,049)	(974)
<b>NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		<b>1,855</b>	<b>(4,008)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(3,306)</b>	<b>(2,750)</b>
Cash and cash equivalents at beginning of the period		46,187	60,740
Effect of foreign exchange rate changes		129	(90)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by cash and bank balances</b>		<b>43,010</b>	<b>57,900</b>



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 1. GENERAL

The Company was incorporated in the Cayman Islands on 3 November 2017 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the Listing Date.

The Company’s immediate and ultimate holding company is Manford Investment Holdings Limited (“Manford Investment”), a company incorporated on 24 October 2017 in the British Virgin Islands (“BVI”) under the laws of BVI with limited liability.

The principal activities of the Group are the manufacturing and sale of denim fabrics.

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2024.

The functional currency of the Company is United States dollar (“US\$”) and the presentation currency of the Group is Hong Kong dollar (“HK\$”) as the directors of the Company consider HK\$ can provide more meaningful information to the Company’s investors.

## 3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

*Lack of Exchangeability*

The nature and impact of the amended HKFRS Accounting Standard are described below:

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 4. OPERATING SEGMENT INFORMATION

Information reported to the executive directors, being the chief operating decision makers (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group’s reportable and operating segments under HKFRS 8 *Operating Segments* are as follows:

- (a) Denim fabrics segment — manufacture and sale of denim fabrics
- (b) Property renovation services segment — provision of property renovation services

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group’s loss before tax except that other income, other gains and losses, net, fair value gain/(loss) on financial asset at FVTPL and the share of loss of an associate are excluded from such measurement.

There were no material intersegment sales and transfers during the current and prior periods:

	Denim fabrics		Property renovation services		Total	
	30 June	30 June	30 June	30 June	30 June	30 June
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue</b>						
Sales to external customers	<b>99,467</b>	110,059	<b>8,791</b>	76	<b>108,258</b>	110,135
<b>Segment results</b>	<b>(13,332)</b>	(17,975)	<b>(77)</b>	(45)	<b>(13,409)</b>	(18,020)
<i>Reconciliations</i>						
Other income					<b>1,496</b>	1,533
Other gains and losses, net					<b>1,092</b>	(466)
Fair value gain/(loss) on financial asset at FVTPL					<b>242</b>	(104)
Share of loss of an associate					<b>(15)</b>	(40)
<b>Loss before tax</b>					<b>(10,594)</b>	(17,097)



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 4. OPERATING SEGMENT INFORMATION *(Continued)*

Except as disclosed above, no other amounts are included in the measure of segment results reviewed by the CODM nor regularly provided to the CODM of the Group and therefore, no further analysis is presented.

Information of assets, liabilities and capital expenditure of reportable segments is not regularly provided to the CODM for their review. Therefore, no analysis of the Group's assets, liabilities and capital expenditure by reportable segments is presented.

### Geographical information

Information about the Group's revenue presented based on the geographical location of the customers is as follows:

	Six months ended	
	30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Bangladesh	33,765	40,796
Vietnam	20,844	8,383
Hong Kong	20,342	25,565
Mainland China	18,213	20,709
Egypt	10,459	13,113
United States of America	2,246	–
Singapore	2,106	–
Other countries and regions	283	1,569
Total	108,258	110,135

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 5. REVENUE

An analysis of the Group's revenue from contracts with customers is as follows:

	Six months ended 30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Sales of denim fabrics		
Stretchable blended denim fabrics	88,499	102,431
Stretchable cotton denim fabrics	1,358	905
Non-stretchable denim fabrics	9,078	5,105
	98,935	108,441
Property renovation services	8,791	76
Others (note)	532	1,618
Total revenue from contract with customers	108,258	110,135

Note: Others mainly include revenue from sales of yarns and provision of subcontracting services.

### Revenue from contracts with customers

*Disaggregated revenue information*

#### For the six months ended 30 June 2025

Segments	Denim fabrics HK\$'000 (unaudited)	Property renovation services HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
<b>Types of goods or services</b>			
Sales of denim fabrics	98,935	–	98,935
Property renovation services	–	8,791	8,791
Others	532	–	532
Total	99,467	8,791	108,258
<b>Timing of revenue recognition</b>			
Goods or services transferred at a point in time	99,467	–	99,467
Services transferred over time	–	8,791	8,791
Total	99,467	8,791	108,258



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 5. REVENUE (Continued)

Revenue from contracts with customers (continued)

For the six months ended 30 June 2024

Segments	Denim fabrics HK\$'000 (unaudited)	Property renovation services HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
<b>Types of goods or services</b>			
Sales of denim fabrics	108,441	–	108,441
Property renovation services	–	76	76
Others	1,618	–	1,618
<b>Total</b>	<b>110,059</b>	<b>76</b>	<b>110,135</b>
<b>Timing of revenue recognition</b>			
Goods or services transferred at a point in time	110,059	–	110,059
Services transferred over time	–	76	76
<b>Total</b>	<b>110,059</b>	<b>76</b>	<b>110,135</b>

## 6. OTHER INCOME

	Six months ended	
	30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Interest income from bank deposits	428	953
Government grants (note)	110	60
Sample sales	558	460
Others	400	60
<b>Total</b>	<b>1,496</b>	<b>1,533</b>

Note: Government grants in both periods represent unconditional grants from the Mainland China government. These are no unfulfilled conditions or other contingencies attaching to the government grants recognised.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 7. LOSS BEFORE TAX

Loss before tax has been arrived at after charging (crediting):

	Six months ended	
	30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Total employee benefits expenses	25,869	24,832
Capitalised in cost of inventories manufactured	(7,787)	(7,819)
	18,082	17,013
Depreciation of property, plant and equipment	3,475	4,888
Depreciation of right-of-use assets (including leasehold land)	2,534	2,929
Amortisation of other intangible assets	184	183
	6,193	8,000
Capitalised in cost of inventories manufactured	(2,756)	(4,112)
	3,437	3,888
Cost of inventories recognised as expense	79,080	93,827
Loss on disposals of items of property, plant and equipment	85	–
Foreign exchange differences, net*	(1,083)	551

\* Included in "other gains and losses, net" on the face of the condensed consolidated statement of profit or loss and other comprehensive income.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 8. INCOME TAX (CREDIT)/EXPENSE

The Group provides income tax (credit)/expense for each interim period based on the best estimate of the weighted average annual income rate expected for the full financial year. The major components of income tax (credit)/expense recognised in profit or loss are:

	Six months ended 30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Current tax:		
— PRC Enterprise Income Tax	293	158
Deferred tax	(477)	(111)
	(184)	47

## 9. DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 June 2025 and 2024. The directors of the Company have determined that no dividend will be paid in respect of the current period (six months ended 30 June 2024: nil).

## 10. LOSS PER SHARE

The Company did not have any dilutive potential ordinary shares in issue for the six months ended 30 June 2025 and 2024. The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Loss for the period attributable to owners of the Company for the purpose of loss per share calculation	(10,410)	(17,144)

	Six months ended 30 June 2025 '000 (unaudited)	30 June 2024 '000 (unaudited)
Number of ordinary shares for the purpose of loss per share calculation	640,000	640,000

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired manufacturing and office equipment of approximately HK\$596,000 (six months ended 30 June 2024: HK\$410,000).

## 12. INTEREST IN AN ASSOCIATE

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Cost of investment in an associate	2,282	2,282
Share of post-acquisition losses	(1,948)	(1,933)
	334	349

## 13. FINANCIAL ASSET AT FVTPL

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Unlisted:		
— Equity investment, at fair value	19,386	19,144

The above equity investment was classified as financial asset at FVTPL as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 14. TRADE AND OTHER RECEIVABLES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Bills receivables (note i)	18,045	11,882
Trade receivables	3,925	16,170
Less: Allowance for expected credit losses	(131)	(132)
	21,839	27,920
Prepayments and other receivables (note ii)	9,002	9,554
Value-added tax recoverable	17,537	17,757
Utility and rental deposits	1,233	1,397
Others	239	109
	49,850	56,737
Analysed as:		
Current	42,330	56,737
Non-current	7,520	–
	49,850	56,737

Notes:

- (i) The Group had entered into certain trade finance arrangement with a bank in which certain bills receivables held by the Group were presented to the bank to draw down export bills payables ("Arrangement"). Under the Arrangement, the export bills payables were settled by these corresponding bills receivables on the maturity date under the same conditions as agreed with the customers. As at the end of the reporting period, bills receivables of HK\$5,004,000 (31 December 2024: HK\$2,142,000) and export bills payables of HK\$4,932,000 (31 December 2024: HK\$2,092,000) were outstanding under this Arrangement. The Group continues to recognise these bills receivables and export bills payables as the relevant banks are obliged to make payments only on the due dates of the bills receivables, under the same conditions as agreed with the customers of the Group, and make corresponding settlements to its export bills payables accordingly.
- (ii) Included in the Group's prepayments and other receivables is an amount due from an investee of HK\$7,520,000 (31 December 2024: HK\$7,520,000) which is unsecured, interest-free and repayable on demand. In the opinion of the directors, the Group will not demand for repayment in the next twelve months from the end of the reporting period.

The Group generally allows credit periods ranging from 30 days to 120 days regarding different customers. The following is an ageing analysis of the gross carrying amount of trade and bills receivables, presented based on the invoice date, at the end of the reporting period:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Within 30 days	8,858	14,944
31 to 60 days	3,333	3,058
61 to 120 days	6,091	9,257
121 to 180 days	3,633	771
181 to 365 days	9	–
More than 365 days	46	22
	21,970	28,052

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 15. TRADE AND OTHER PAYABLES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Trade and bills payables (note i)	28,288	34,234
Deposits received (note ii)	2,956	2,956
Payroll payables	4,157	5,109
Accrued charges	2,164	2,401
Others	175	135
	<b>37,740</b>	<b>44,835</b>
Analysed as:		
Current	36,655	43,676
Non-current	1,085	1,159
	<b>37,740</b>	<b>44,835</b>

Notes:

- (i) Included in the Group's trade payables are bills payables of HK\$26,170,000 (31 December 2024: HK\$28,583,000) issued by the Group to the relevant suppliers for future settlement. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers and the Group makes corresponding settlements with the relevant banks on due date without further extension. Accordingly, the management of the Group considered these arrangements do not involve financing and presents cash outflows for such settlements as arising from operating activities.
- (ii) The balance mainly represented deposits received from an apparel brand for the Group to secure production of denim fabrics based on procurement projections of the brand owner before confirmed purchase orders.

The ageing analysis of the trade and bills payables presented based on the goods receipt date at the end of each reporting period is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Within 30 days	7,444	10,105
31 to 60 days	2,981	14,816
61 to 120 days	17,863	9,313
	<b>28,288</b>	<b>34,234</b>

The credit period on purchases of goods is ranging from 30 days to 180 days.

Trade and other payables are non-interest bearing.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 16. BANK BORROWINGS

	30 June 2025			31 December 2024		
	Effective interest rate	Maturity	HK\$'000	Effective interest rate	Maturity	HK\$'000
<b>Current</b>						
Bank loans	2.0% to 6.0%	2025	20,500	5.2% to 7.1%	2025	23,500
Current portion of long term bank loans	2.7% to 3.0%	2025–2026	1,298	3.0%	2025	472
Export bills payables (note ii)	1.6% to 4.9%	2025	4,932	4.8% to 7.8%	2025	2,092
			<u>26,730</u>			<u>26,064</u>
<b>Non-current</b>						
Bank loans	2.7% to 3.0%	2027 to 2028	9,360	3.0%	2027	4,772
			<u>36,090</u>			<u>30,836</u>
<b>Total</b>						

Notes:

- (i) The above bank loans are unsecured.
- (ii) Details of export bills payables are included in note 14 to these interim condensed consolidated financial statements.
- (iii) As at the end of the reporting period, except for bank borrowings of HK\$10,658,000 (31 December 2024: HK\$5,244,000), which were denominated in Renminbi, all bank borrowings are denominated in HK\$.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 17. SHARE CAPITAL

	Number of Shares	Share capital HK\$'000
Ordinary shares of HK\$0.01 each		
<b>Authorised:</b>		
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	1,000,000,000	10,000
<b>Issued and fully paid:</b>		
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	640,000,000	6,400

## 18. RELATED PARTY DISCLOSURES

### (a) Related party transactions

The Group entered into the following transactions with a related party during the six months ended 30 June 2025 and 2024:

Related Party	Nature of transaction	Six months ended	
		30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Star Alliance Holdings Limited (note)	Lease payments	1,415	1,719

Note: The Controlling Shareholders of the Company have control or beneficial interests in this entity.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 18. RELATED PARTY DISCLOSURES (Continued)

### (b) Compensation of directors and key management personnel

	Six months ended	
	30 June 2025 HK\$'000 (unaudited)	30 June 2024 HK\$'000 (unaudited)
Salaries and other allowances	5,032	5,032
Retirement benefit scheme contributions	36	36
Other benefits (note)	810	768
	<b>5,878</b>	5,836

Note: Other benefits represented the estimated money value of rentals for directors' quarters. During the current interim period, depreciation of right-of-use assets in relation to these non-monetary benefits amounted to HK\$757,000 (six months ended 30 June 2024: HK\$739,000).

The remuneration of directors and key management personnel are determined having regard to the performance of the individuals and contribution to the Group.

### (c) Related party balances

In addition to the balances detailed elsewhere in these interim condensed consolidated financial information, the Group also had the following outstanding balance with a related party at the end of the reporting periods:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Amount due from:		
<b>Associate</b>		
Ardo Living Limited (note)	616	616

Note: The amount due from Ardo is unsecured, interest-free and repayable on demand.

# Notes to Interim Condensed Consolidated Financial Information

*For the six months ended 30 June 2025*

## **19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS**

Management has assessed that the fair values of financial assets included in trade and other receivables, amount due from an associate, cash and cash equivalents, financial liabilities included in trade and other payables, bank borrowings and lease liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments or the effect of discounting is not material.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the non-current portions of bank borrowings and lease liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at 30 June 2025 were assessed to be insignificant. In the opinion of the directors, their carrying amounts are not significantly different from their respective fair values.

The fair value of unlisted equity investment included in financial asset at FVTPL has been estimated using assets based approach in which the underlying property is valued by income capitalisation method and is classified under Level 3 of the fair value hierarchy as the valuation involved significant unobservable inputs. The valuation requires the directors to make estimates about the fair value of the assets and liabilities of the entity and using unobservable inputs of reversionary yield and reversionary rental for the valuation of the underlying property. An increase in the reversionary yield used in valuation would result in a decrease in the fair value of the financial asset at FVTPL.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

## 19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

### Fair value hierarchy

Assets measured at fair value:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	Total HK\$'000
<b>30 June 2025</b>				
Financial asset at FVTPL	–	–	19,386	19,386
<b>31 December 2024</b>				
Financial asset at FVTPL	–	–	19,144	19,144

During the six months ended 30 June 2025 and 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

The movement in fair values within Level 3 of the fair value measurements hierarchy during the periods are as follows:

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
At 1 January	19,144	21,745
Fair value gain/(loss) recognised in profit or loss	242	(104)
At 30 June	19,386	21,641

### Liabilities measured at fair value

There were no financial liabilities measured at fair value as at 30 June 2025 and 31 December 2024.

# Corporate Information

## EXECUTIVE DIRECTORS

Mr. Tung Wai Ting Stephen  
Mr. Tung Cheuk Ming Stanley

## NON-EXECUTIVE DIRECTOR

Ms. Lau Chung Chau (*Chairlady*)

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tsang Ling Biu Gilbert  
Mr. Cheung Che Kit Richard  
Mr. Wong Ming Bun David

## COMPANY SECRETARY

Mr. Cheung Ka Chun

## AUDIT COMMITTEE

Mr. Tsang Ling Biu Gilbert (*Chairman*)  
Mr. Cheung Che Kit Richard  
Mr. Wong Ming Bun David

## REMUNERATION COMMITTEE

Mr. Wong Ming Bun David (*Chairman*)  
Mr. Cheung Che Kit Richard  
Mr. Tung Wai Ting Stephen

## NOMINATION COMMITTEE

Mr. Wong Ming Bun David (*Chairman*)  
Mr. Cheung Che Kit Richard  
Mr. Tung Cheuk Ming Stanley

## AUTHORISED REPRESENTATIVES

Mr. Tung Wai Ting Stephen  
Mr. Cheung Ka Chun

## REGISTERED OFFICE

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*Registered Public Interest Entity Auditors*  
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## LEGAL ADVISORS

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## STOCK CODE

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## PRINCIPAL BANKER

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## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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16 Harcourt Road  
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